

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 12922 180838Z

ACTION TRSE-00

INFO OCT-01 EA-10 ISO-00 NEA-10 IO-13 L-03 H-01 PA-01

PRS-01 SP-02 USIA-06 AID-05 EB-08 NSC-05 SS-15

STR-04 OMB-01 CEA-01 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04 SIL-01 /107 W

-----078809 180844Z /23

P 180742Z AUG 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 3906

LIMITED OFFICIAL USE MANILA 12922

USADB

PASS TREASURY FOR NACHMANOFF AND BRADFORD

E.O. 11652: NA

TAGS: EAID, EFIN

SUBJECT: ADB VICE PRESIDENCY

REF: MANILA 12417

1. IN LAST TWO DAYS IT HAS BECOME CLEAR THAT QUESTION OF ORGANIZATION OF BANK AND ISSUE OF VICE PRESIDENCY ARE COMING TO A HEAD. ADB PRESIDENT HAS HELD INFORMAL EXPLORATORY DISCUSSIONS INDIVIDUALLY WITH EXECUTIVE DIRECTORS/ALTERNATES ON PROPOSAL THAT TWO VICE PRESIDENTS BE APPOINTED BY BOARD OF DIRECTORS ON RECOMMENDATION OF PRESIDENT. DISCUSSIONS FOCUSED ON INFORMAL NOTE DISTRIBUTED BY PRESIDENT (COPIES BEING POUCHED) IN WHICH PROPOSED DUTIES AND RESPONSIBILITIES OF TWO POSITIONS ARE DELINEATED. ALTHOUGH INCUMBENT VICE PRESIDENT DID NOT PARTICIPATE IN DISCUSSIONS, USADB UNDERSTANDS INFORMAL NOTE WAS PREPARED BY HIM. SUBJECT HAS ALSO BEEN DISCUSSED BY MEMBERS OF BOARD OF DIRECTORS AT INFORMAL SESSION ON AUGUST 17.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 12922 180838Z

2. BASICALLY, PROPOSAL PROVIDES FOR A QUOTE RANKING UNQUOTE VICE PRESIDENT WHO WOULD BE CALLED FIRST OR SENIOR VICE PRESIDENT, WITH OTHER BEING KNOWN AS SECOND VICE PRESIDENT OR JUST VICE PRESIDENT. RANKING VICE PRESIDENT WOULD EXERCISE AUTHORITY UNDER ARTICLE 35 OF CHARTER IN ABSENCE OF PRESIDENT. HE WOULD BE RESPONSIBLE

FOR OPERATIONAL FUNCTIONF OF BANK (BASICALLY THOSE FUNCTIONS RELATING TO DEPARTMENT OF OPERATIONS, PROJECTS 1 AND 11 AND ECONOMIC OFFICE). OTHER VICE PRESIDENT WOULD BE RESPONSIBLE FOR ALL OTHER DEPARTMENTS OF BANK.

3. IN MEETING WITH PRESIDENT, U.S. EXECUTIVE DIRECTOR SOMEWHAT DISINGENUOUSLY EXPRESSED VIEW THAT RANKING VICE PRESIDENT WOULD CONTROL MOST MAJOR FUNCTIONS WHILE OTHER VICE PRESIDENT WOULD BE GIVEN CATCH-ALL GROUP OF RESPONSIBILITIES. U.S. ED SUGGESTED THAT SECOND VICE PRESIDENT BE GIVEN RESPONSIBILITY FOR SUPERVISION OF ECONOMIC OFFICE WHICH WOULD PERMIT INCUMBENT TO HAVE POLICY INPUT IN OVERALL POLICY ORIENTATION OF BANK. AFTER LENGTHY DISCUSSION, PRESIDENT STATED HE WOULD CONSIDER SUGGESTION, BUT U.S. ED BELIEVES THIS WAS MERELY POLITE WAY TO CLOSE OFF DISCUSSION. PRESIDENT DID VOLUNTEER IN COURSE OF DISCUSSION, HOWEVER, THAT HE INTENDED TO USE TWO VPS AS A TEAM AND THAT SECOND VP WOULD HAVE FULL OPPORTUNITY TO OFFER POLICY GUIDANCE.

4. IT SEEMS QUITE CLEAR THAT PRESIDENT FIRMLY COMMITTED TO RECOMMEND TO BOARD INDIAN (FORMER ALTERNATE DIRECTOR A.T BAMBAWALE) AS RANKING VICE PRESIDENT, ALTHOUGH HE HAS NOT SO FAR GIVEN ANY SUCH INDICATION TO MOST BOARD MEMBERS. HE CLEARLY DOES NOT WISH TO GIVE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MANILA 12922 180838Z

BOARD OPPORTUNITY TO PROPOSE ALTERNATIVE CANDIDATES TO HIM WHICH MIGHT OPEN UP DIVISIVE FIGHT. THIS TYPE OF APPROACH IF USED WITH U.S. CANDIDATE COULD STAND US IN GOOD STEAD IF WE ABLE TO PROVIDE HIM PROMPTLY AND PRIVATELY U.S. NAME HE COULD ACCEPT AND WHICH HE COULD PROPOSE TO BOARD, FOR IT CLEAR THAT OTHERWISE THERE WILL BE SCRAMBLE FOR POSITION. USADB HAS IMPRESSION THAT WHILE THERE IS LESS THAN COMPLETE ENTHUSIASM IN BOARD CIRCLES ABOUT MAKING THE SENIOR VP AS "INDIAN" POSITION, NO ONE SEEMS WILLING "BELL THE CAT" OR ATTEMPT TO COALESCE AROUND ANOTHER NATIONAL. THERE APPEARS TO BE NO WAY OF AVOIDING THAT APPOINTMENT UNLESS STRONG MAJORITY WERE TO AGREE ON ANOTHER CANDIDATE, WHICH AT PRESENT SEEMS HIGHLY UNLIKELY.

5. PRESIDENT WOULD LIKE TO HAVE U.S. PERSON AS OTHER VICE PRESIDENT, WHICH USADB BELIEVES IS HIGHLY DESIRABLE. POSITION CAN BE VERY INFLUENTIAL, GIVEN THE RIGHT KIND OF INDIVIDUAL. AS INDICATED IN PARA 3, PRESIDENT HAS CONFIRMED THAT HE PLANS TO OPERATE BANK ON BASIS OF COLLEGIUM OF THREE.

6. RELATED ISSUE ON WHICH GUIDANCE IS NEEDED IS NUMBER OF VICE PRESIDENTS TO WHICH WE CAN AGREE. AUSTRALIAN, CANADIAN AND SOME DMC EDS WISH TO APPOINT MORE THAN TWO VICE PRESIDENTS (AS MANY AS FOUR), WHILE U.S. AND EUROPEANS APPEAR TO SUPPORT LIMITING NUMBER TO TWO AT THIS TIME. IF CHOICE HAD TO BE MADE BETWEEN HAVING TWO VPS, NEITHER OF WHICH WERE AMERICAN, OR THREE, OF WHICH ONE WOULD BE FROM U.S., WHAT WOULD BE ORDER OF PREFERENCE. NATURALLY WE WILL CONTINUE ALL OUT EFFORT FOR TWO VPS, ONE OF WHICH WOULD BE FROM U.S. INCIDENTALLY, WE HAVE NOT INDICATED OUR DESIRE FOR A U. S. VP EXCEPT TO AUSTRALIA IN FEAR OF SETTING FORTH OPEN RACE AT A TIME WHEN WE DO NOT HAVE CANDIDATE. AUSTRALIA INDICATED THAT IF QUESTION CAME DOWN TO U.S. LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 MANILA 12922 180838Z

AND AUSTRALIA, LATTER WOULD "OF COURSE" ACCEDE TO U.S.

7. BELIEVE PRESIDENT WOULD LIKE TO RESOLVE ISSUES BY END-SEPTEMBER BECAUSE HE WANTS TO HAVE RANKING VICE PRESIDENT ON BOARD (PERHAPS AS ADVISOR) BEFORE END OF YEAR. USADB WOULD APPRECIATE WASHINGTON COMMENTS ASAP ON ISSUES INVOLVED AND ALSO ON DESCRIPTIONS OF PROPOSED POSITIONS. EDMOND

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: VICE PRESIDENT, PERSONNEL ASSIGNMENTS, ORGANIZATION & MANAGEMENT
Control Number: n/a
Copy: SINGLE
Sent Date: 18-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA12922
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770297-1145
Format: TEL
From: MANILA USADB
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770849/aaaabpdb.tel
Line Count: 145
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 370c8b58-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 MANILA 12417
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1563110
Secure: OPEN
Status: NATIVE
Subject: ADB VICE PRESIDENCY
TAGS: EAID, EFIN, RP, ADB
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/370c8b58-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009